



USDA Foreign Agricultural Service

GAIN Report

Global Agriculture Information Network

Template Version 2.09

Voluntary Report - public distribution

Date: 3/7/2005

GAIN Report Number: CH5021

China, Peoples Republic of

Poultry and Products

U.S. Poultry Products Clearing Chinese Customs

2005

Approved by:

Maurice W. House
U.S. Embassy, Beijing

Prepared by:

Casey E. Bean

Report Highlights:

China banned imports of all U.S. poultry products, worth about \$300 million annually, in February 2004, when a case of low pathogenic avian influenza (AI) occurred in Delaware. After months of negotiations, the Chinese Government re-opened the market to U.S. poultry products on December 27, 2004. The first containers of U.S. poultry successfully cleared Chinese Customs on January 20, 2005. To date, approximately \$1.5 million in U.S. poultry has entered Mainland China.

Includes PSD Changes: No
Includes Trade Matrix: No
Unscheduled Report
Beijing [CH1]
[CH]

On January 20, 2005, the first containers of U.S. poultry products started clearing customs in Shanghai. To date, the poultry trade reports that inspection and clearance of U.S. poultry is proceeding smoothly, and approximately 60 containers (approximate value \$1.5 million) have already entered Mainland China. Prior to China's ban on U.S. poultry in February 2004, exports to this country (including re-exports from Hong Kong) reached \$300 million annually.

FAS Beijing forecasts China's imports of U.S. poultry will recover to 125,000 MT during 2005, comprising about 50 percent of China's total imports. This volume is still below the 177,000 MT of U.S. poultry imported by China during 2003. During 2005 and beyond, U.S. poultry will face tougher competition as China signs quarantine protocols and negotiates market access for poultry products from other suppliers such as Brazil.

On December 27, 2004, the Chinese Government's Ministry of Commerce (MOFCOM), Ministry of Agriculture (MOA) and the General Administration for Quality Supervision Inspection and Quarantine (AQSIQ) issued a joint announcement to resume imports of U.S. live poultry and poultry products. Immediately afterwards, the Chinese Government began issuing Quarantine Import Permits (QIP) and Import Automatic Registration Certificates (IARC's), documents required for products to clear Chinese Customs. However, the QIP is only valid one month after issuance. Upon issuance, both the QIP and the IARC are valid for six months.

For more information about China's poultry production, marketing and trade, please refer to CH5011 dated February 1, 2005.

(End of report)